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Abolition of district boards.

* 91 *Q.*—SRI S. B. ADITYAN : Will the Hon. the Minister for Local Administration be pleased to state—

(*a*) whether the Government have under consideration any proposal for the abolition of district boards; and

(*b*) if so, whether the Government would publish full details of the proposal for eliciting public opinion?

THE HON. SRI K. CHANDRAMOULI :—" (*a*) A suggestion whether the district boards should be abolished or retained is under the consideration of the Cabinet Sub-Committee.

" (*b*) The suggestion will be considered."

SRI S. B. ADITYAN :—" What is wrong with the district boards, Sir, at the present time? "

THE HON. SRI K. CHANDRAMOULI :—" The present district boards are under the administration of Special Officers."

SRI R. SURYANARAYANA RAO :—" How long is it the intention of the Government to place these district boards under the Special Officers? "

THE HON. SRI K. CHANDRAMOULI :—" That is why the Government is considering the settling up of this matter at an early date."

SRI S. B. ADITYAN :—" What is so wrong with these district boards as they were formerly constituted that the Government are thinking of retaining or abolishing them and what is it that is basically wrong with them? "

THE HON. SRI K. CHANDRAMOULI :—" Due to the fact that the Panchayat Act is under consideration of the Government, simultaneously the Government are taking up the question whether the district boards should be retained or not."

DR. SIR A. LAKSHMANASWAMI MUDALIYAR :—" Will the Government give this House an opportunity to discuss the subject before they make up their minds on thsi question? "

THE HON. SRI K. CHANDRAMOULI :—" **I have no objection, Sir.**"

The working of the Co-operative Banks in the Rayalaseema and Chittoor districts.

* 92 *Q.*—SRI C. N. MUTHURANGA MUDALIYAR : Will the Hon. the Minister for Local Administration be pleased to state—

(*a*) whether it is a fact that the Government of Madras have appointed the Rayalaseema Enquiry Committee to make a thorough enquiry into the working of Co-operative Banks in Rayalaseema and Chittoor districts;

(*b*) when was the Committee appointed and when it submitted its report;

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(c) what action the Government took on the report or propose to take in the matter;

(d) what are the recommendations of the Gopalaswami Ayyangar Enquiry Committee;

(e) whether the Government propose to adopt any of the recommendations and, if so, which; and

(f) whether it is a fact that the Provincial Co-operative Bank lends to the district banks at the rate of 3 per cent interest while the Rayalaseema District Banks which borrow from the Provincial Bank lend at 5 to 6 per cent interest to rural banks?

THE HON. SRI K. CHANDRAMOULI :—" (a) Yes.

" (b) The Committee was appointed in January 1945 and it signed its report on 15th February 1946.

" (c) & (e) The Government have published the report and have called for the Registrar's remarks on the Committee's recommendations, which are awaited.

" (d) The recommendations of the Committee are printed at pages 86–94 of its Report which has been placed at the disposal of the Press.

" (f) The present lending rate of the Provincial Co-operative Bank to the District Central Banks is 3 per cent which is in force since January 1946. Out of the five Central Banks in the Rayalaseema the lending rate of the Anantapur and Hospet Central Banks on new loans is 5 per cent while that of the other three Banks is 4½ per cent. A higher rate ranging from 5 to 6½ per cent is charged by the five banks on outstanding loans as distinct from the loans newly advanced since the lending rate of the Madras Provincial Co-operative Bank prior to 1946 was 3½ per cent."

SRI R. SURYANARAYANA RAO :—" In view of the long time that has elapsed since the report was submitted will the Government expedite orders on the various recommendations?"

THE HON. SRI K. CHANDRAMOULI :—" Sir, the matter has already been referred to the Registrar for expedition and part of the report has been submitted to the Government itself and the matter will be expedited at an early date."

SRI R. SURYANARAYANA RAO :—" In view of the radical reforms suggested in that report will the Government consider the advisability of having those recommendations not examined by the department itself but by some other impartial authority so that they may appreciate the points of view that are mentioned there, otherwise, Sir, I feel that the subject will not be considered on its own merits and will be looked at from a prejudiced point of view."

THE HON. SRI K. CHANDRAMOULI :—" There is an Advisory Committee and I am sure the Government will take advise of those members before it officially accepts the report."